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AUGUST 1984

Beverage Industry

MARKETING □ DISTRIBUTION □ TECHNOLOGY

AN HBJ PUBLICATION

Where do you rank?

Survey reveals top executive salary levels

by Paul E. Mullins

SPECIAL REPORT—Want to make a higher salary in the beverage business?

- Start your own business or marry the owner's daughter. Owners and presidents make the highest salaries.
- Join a larger firm. Those with more than 500 employees pay more than the smaller firms.
- Continue your education. Ph. D.'s are higher paid than Master or Bachelor educations.
- Be patient. Those with 30 or more years experience are higher paid than those with less seniority.

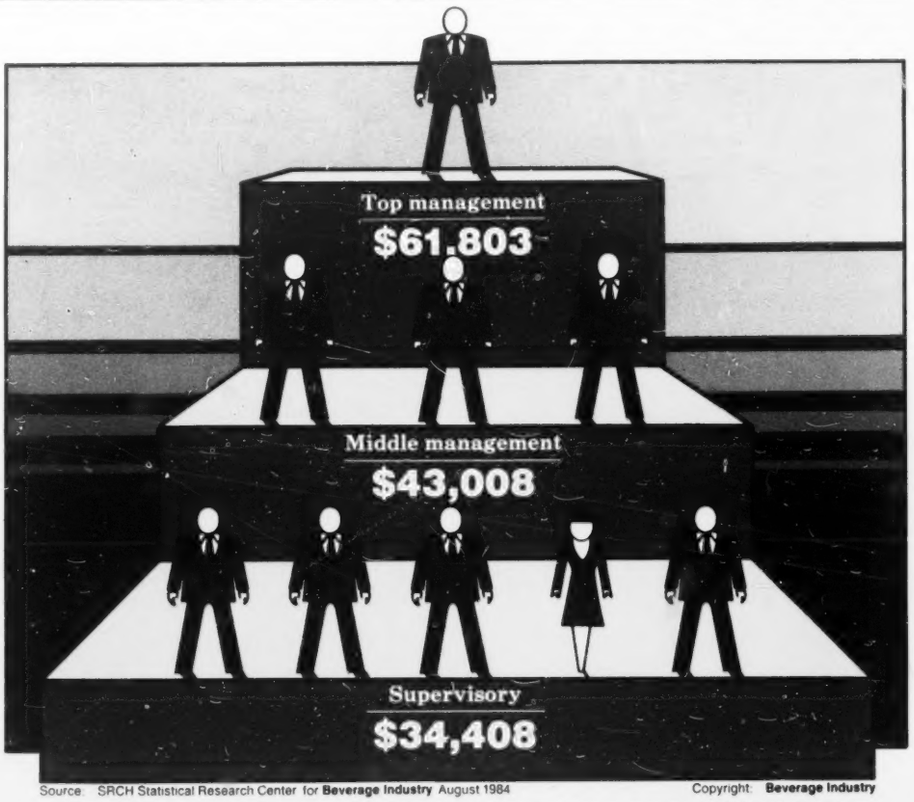
Those are the four primary conclusions for this year's **BI** salary survey of the beverage industry. A total of 5,976 survey forms were mailed to executives in the soft drink, brewery and beer wholesaling industries. Proving that everyone likes to find out how he or she rates, salarywise, returns were highest in **BI's** history, 1,167, almost 20%.

Approximately 54% of the respondents worked in soft drink plants; 32% were in beer distributorships; 15% in breweries.

The survey also shows that breweries pay more than soft drink plants and that beer distributor personnel are the lowest paid.

The survey did not reveal who the highest paid person in

(Continued on page 30)



Source: SRCH Statistical Research Center for **Beverage Industry** August 1984 Copyright: **Beverage Industry**

Average salaries of executives of breweries, beer distributors and soft drink bottling plants.

RC restaffing, relocation seen from acquisition

By Paul E. Mullins

COMMENTARY—As a result of the culmination of the Posner acquisition of Royal Crown Cola and the subsequent resignation of Fred Adamany as company president, a number of changes are being speculated in the industry.

- RC headquarters could be moved back to Atlanta.
- New, probably non-soft drink, personnel will be brought to the company to run the soft drink and beverge sides.
- Promotional dollars and support funds will be curtailed.
- The sell-off of Royal Crown Cola and the other RC holdings is not necessarily imminent nor preordained.

Once the deal was announced, the departure of Adamany was expected by RC bottlers, as well as franchise company officials. He had been opposed to the Posner deal and reportedly was not included in any discussions leading up to the deal.

An informed source told **BI**

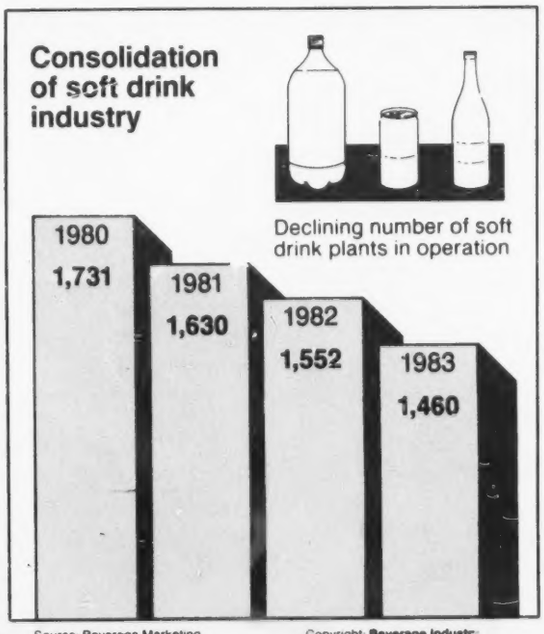
(Continued on page 32)

BI Report

■ NEW PET CONTAINER FIRM, Petainer Development Corp., Atlanta, GA, expects to be in production next year. A joint venture of Metal Box, PLM, and Dorsey's Sewell Plastics, the new firm will utilize the technology of Petainer SA, in Neuchatel, Switzerland, and will concentrate initially on production of PET cans. Earlier this year, Coca-Cola USA signed an exclusive agreement with Petainer SA for a period of five years.

(Continued on page 68)

Consolidation of industry reflected in fewer, but larger beverage firms



Source: Beverage Marketing Corporation Copyright: **Beverage Industry** August 1984

SPECIAL REPORT—Maturation of the beverage industry has brought about many trends, including increased segmentation and modest growth. But the most significant of these trends is the dramatic move toward consolidation, according to studies by the Beverage Marketing Corp. (BMC).

Soft drink bottlers, brewers and beer wholesalers have all experienced this trend, which has generally made the small smaller and the large larger.

BMC President Michael Bellas is quick to point out, however, that reasons for consolidation in the soft drink and beer industries are different. "The economies of scale in soft drink production facilities has brought about consolidation for bottlers," says Bellas. Faster canning lines and better packaging

(Continued on page 10)

BI Now Package

Kirin Beer introduces 'mini-keg'

NEW YORK—Kirin USA has introduced a draft beer to the U.S., packaged in a reusable, plastic 2-L mini-keg.

The mini-keg is a double-lined, lightweight, shatter-proof plastic and retails for $5. It's made of polyethylene terephthalate and the crown has a lining made of ethylene

(Continued on page 68)

Beverage Industry
AN HBJ PUBLICATION

Japanese milk-based soft drink tried here

Skal, imported from Japan, contains 15% powdered milk. Its processing mixes pasteurization with carbonation.

MINNEAPOLIS—Like a child with his hand in grandma's cookie jar, 25-year-old Howard Lapides is a young man who is doing a lot of smiling nowadays.

The reason is obvious: The young entrepreneur is building a name for himself in the beverage industry thanks to "Skal," a Japanese beverage, and good ole' chutzpah.

Skal (pronounced *Skall*) is unique to consumers in that the beverage contains 15% powdered milk. The process by which the Japanese blend carbonated citrus juices and flavorings with milk has been a closely-guarded secret since the beverage's infancy.

Lapides, meanwhile, recently acquired the North American rights to Skal's "secret recipe." Working closely with Minnesota Governor Rudy Perpich in persuading the Japanese to relinquish the processing procedures for the beverage, Lapides says: "Skal is the third largest selling drink in Japan." The young entrepreneur reports that the beverage has 15% powdered milk "with added culture."

The most interesting aspect about Skal, says Lapides, "is that it is pasteurized and carbonated. Now, we're hoping to get the "Real Seal" imprinted on it."

(Continued on page 38)

NutraSweet called factor in 14% sales jump in '83

SPECIAL REPORT—The retail powdered drink industry experienced a 14% increase in 1983 over 1982 figures, reflecting $800 million in total sales, according to John Maxwell, **Beverage Industry's** director of research and statistics.

The increase, according to Maxwell, may be attributed primarily to NutraSweet. "This low-calorie sugar substitute has significantly aided and should continue to aid the growth of the powdered beverage market, particularly the presweetened, low-calorie sector," says Maxwell.

Such a belief may be illustrated by the substantial gains of last year for General Foods' presweetened Kool-Aid and Borden's Wyler brand. Dollar sales were up about 25%, says Maxwell, mainly because aspartame-based drinks generate higher retail dollars than unsweetened and sugar-sweetened products. "This increase came despite some discounting during the year for certain products at the retail level," Maxwell says.

There are 11 powdered drink mixes on the market, according to Maxwell's report. Of those 11 drinks, only three recorded increases in sales and percentages: unsweetened Kool-Aid; aspartame-sweetened Kool-Aid; and aspartame-sweetened Wyler's.

According to the figures, aspartame-sweetened Kool-Aid recorded a big 37.8% increase last year over 1982's marks with $197 million in sales volume. Another big winner was aspartame-sweetened Wyler's with a 24.7% increase over '82's sales figures.

Poor sales

Three well-known powdered drinks did poorly in sales last year. The biggest loser was Lipton's Lemon Tree, which saw its sales volume drop from $4 million in 1982 to only $1 million last year, representing a big 75% loss.

Two other losers last year in the powdered drink market were ReaLemon Crystals and unsweetened Hawaiian Punch. The two drinks

(Continued on page 33)

Tropicana squeezing rivals

New Tropicana 30-second TV spots symbolize its "fresh-squeezed taste." Benton and Bowles, New York, is the agency.

BRADENTON, FL—Tropicana Products, Inc., has launched an aggressive advertising campaign aimed at strengthening its position as the No. 1 seller in the $1.2 billion ready-to-serve orange juice market, increasing its ad budget by 35%.

The fresh-squeezed taste of Tropicana's *Pure Premium* and *Gold 'n Pure* orange juices will be highlighted in the new $15 million campaign using the slogan "Squeeze me a glass of Tropicana." Thirty-second television spots depict consumers squeezing the Tropicana Pure Premium and Gold 'n Pure cartons. Tropicana Pure Premium is the only major ready-to-serve orange juice that is not reconstituted with water from concentrate.

The campaign will be reinforced with aggressive retail dealer support including summer and back-to-school promotions and trade advertising allowances. The campaign will include TV, print and radio and POP materials.

• For more information on **Tropicana,** circle no. 317 on the reader service card. □

New York Pepsi sells franchise

PURCHASE, NY—Pepsi-Cola Bottling Group agreed to sell its NY bottling operation to New York Beverage Acquisitions Corp.

New York Beverage will assume all manufacturing, sales and marketing responsibilities for Pepsi-Cola products in New York City and Westchester County. Pepsi-Cola Bottling will continue producing and marketing Pepsi products in parts of New Jersey and other locations.

The Pepsi-Cola bottling plant on the East River in Long Island City will not be sold as part of the agreement, but will be used temporarily by Harold Honickman, principal stockholder in New York Beverage.

The new owner plans to build a 350,000-sq.-ft. bottling facility in New York City. □

Foresees 31.5 billion package capacity

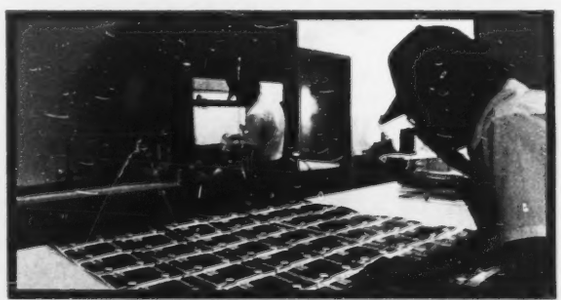
Brik Pak launches U.S. production

DENTON, TX—Over 500 local dignitaries and invited U.S. and international guests and customers were on hand here recently when Brik Pak, Inc., dedicated its first U.S. production center.

The 210,000-sq.-ft., $40 million plant will eventually have the capacity to produce 360,000 packages per hour. By 1984, the firm expects to be running three shifts and will employ 120 people. The first line is in position and the company has plans to add four more as soon as equipment is available.

Indicating a strong position on the future of aseptic packaging in the U.S. Helmut Kirchdorfer, president, Brik Pak, Inc., told Beverage

(Continued on page 40)


An employee examines aseptic packaging material in Brik Pak's just-opened production facility.

Features

12 **Fastest in the West?**
Adolph Coors Company recent startup of its new high-speed canning line means that the Colorado firm owns one of the fastest lines of its kind in the world. The line's capacity is 1,800 12-oz. cans-per-minute.

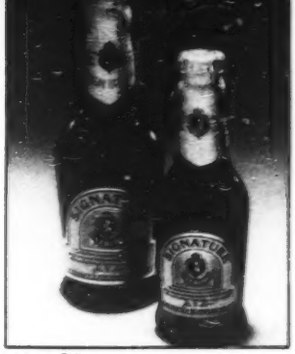
18 **Deposit tide turning?**
In this exclusive series, **BI's** Marty Westerman notes that within the last year 25 forced deposit proposals have been defeated in state legislatures and in Congress. There are key reasons why the tide is beginning to turn.

24 **Making a name for itself**
Stroh Brewery, America's No. 3 brewer, is moving in fast company nowadays. And with the addition of a Jagenberg labeler, the firm is moving even faster.

28 **Saving Premium money**
With a Standard Register automatic register, Premium Distributing Co. is saving money and time by using an imprinting system for its aluminum recycling program.

42 **Winery test markets 4-L PET**
California Growers Winery is having great success with the first 4-L PET wine jugs. The packages are 2.5 lbs. lighter than glass and are molded from PET resin supplied by Eastman Chemical.

44 **No bad news here**
The aseptics market is ready to make further inroads in the beverage industry, according to suppliers surveyed in this exclusive **BI** focus report.



page 24

page 42

Departments

Reader Service 7
Trucks 14
NOW Package 29
Focus Report 44
Security 48
New Products 51
New Literature 56
Newsmakers 57
Beverage Indicators ..58
Supply House 59
Classified 62
Ad Index 64
Editorial 70

Soundoff

Know your company and your bottlers

"I know my company. I know what we have to do and I know what the bottlers should do.

"...You're naive if you expect your competition to stay out of it. Now if we fell flat on our face, I can guarantee that they would have stayed out of it. But somebody had to do it and we did it. But it was a success and we welcome them.

"Now its segmented again. If it grows the same way the diet segment grew we'll be all right. Maybe we'll bring some new drinkers to the industry."

—Fred M. Adamany
former president
Royal Crown Cola Co.
speaking in an interview in
Beverage Industry
after being named
"Man of the Year" in 1982.

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For more about how our waterproof, mold-resistant films can turn your bottle into a traffic stopper, write H. Citino at Hercules Incorporated, 910 Market Street, Wilmington, DE 19899. Or call us at (302) 575-6500 and ask for Ext. 4863.

HERCULES

Sparkling new Opaque White film. From Hercules, of course.

FF83-2

Microbrewery production expected to make gains

MOUNTAIN VIEW, CA—The status and trends of micro/pub brewers in North America is discussed in a new report published by Malt Beverage Research International. Entitled *Brewing for Profit on a Small Scale; An Overview of the North American Microbrewery and Brewpub Trend*, the report examines the movement's origins, current status and future as forecast by MBR International.

U.S. microbrewery and brewpub annual sales volume (U.S. bbls.)

	1977	1978	1979	1980	1981	1982	1983	1984 Proj.
# w/Sales	1	1	2	4	10	9	13	17
Total Sales	50	300	250	500	3,300	6,300	11,800	20,500
Avg. Sales	50	300	125	125	330	700	908	1,206

Annual Growth Rates: 1981-82 = 90%
1982-83 = 87%
1983-84 = 73% (projected)
Compound annual growth rate 1981-84 = 84%

Sources: MBR International 1984 Microbrewery and Brewpub Survey; California State Board of Equalization; Modern Brewery Age.

Copyright: Beverage Industry August 1984

Sales during 1983 from micro/pub breweries in North America are relatively insignificant now, totaling about 11,800 barrels in the United States and less than 2,000 barrels in Canada, according to the report. Despite the relatively insignificant numbers, states the study, the figures are up "from almost nothing" just five years ago; 1984 sales from these tiny commercial operations will total almost twice the 1983 volume, estimated by MBR to be 20,500 barrels by American producers and less than 5,000 barrels by Canadian producers.

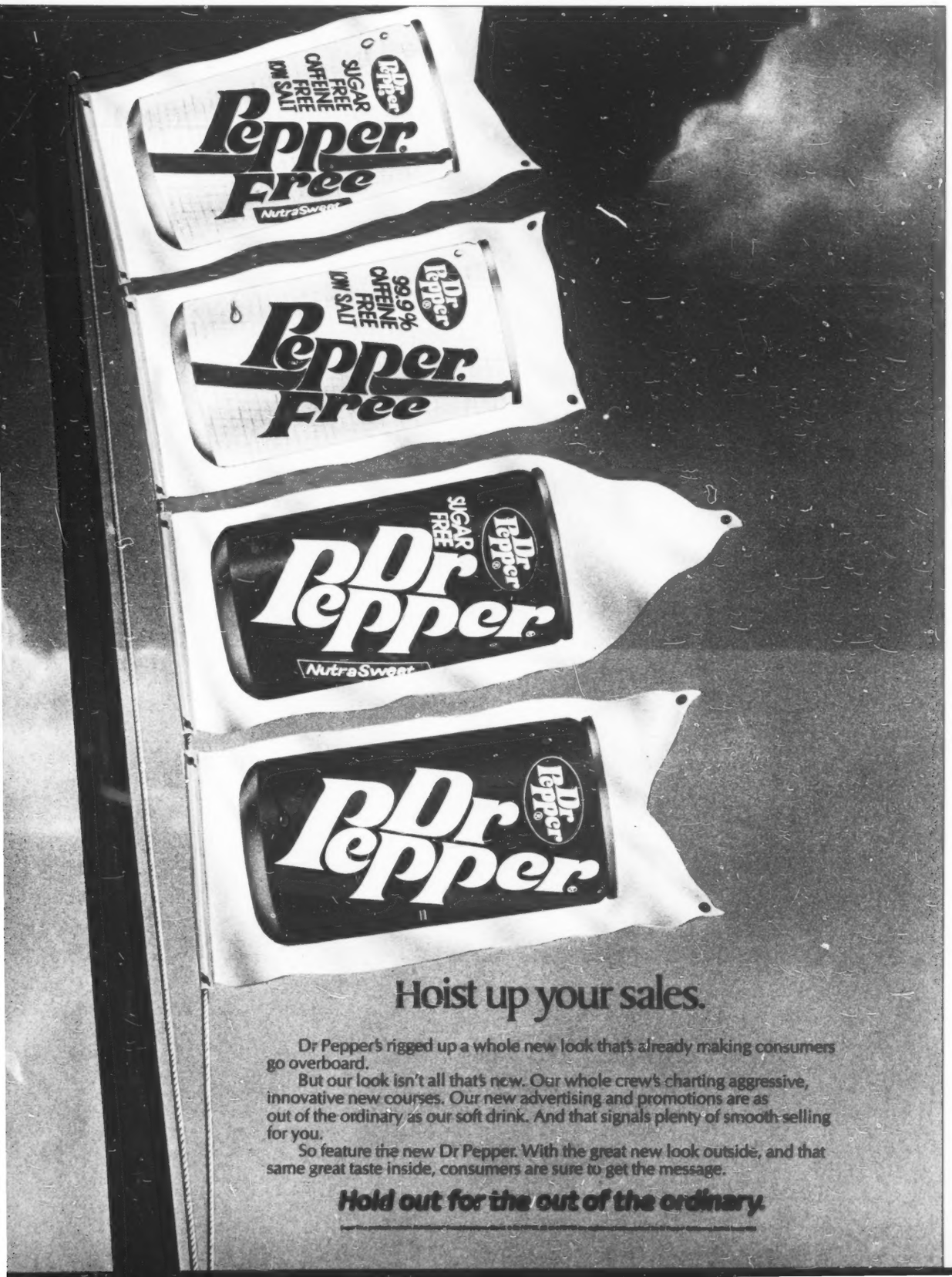
A "microbrewery" is defined in the study as any commercial brewery within North America with annual production capacity up to 10,000 U.S. barrels of beer. Output from a microbrewery, states the report, is sold at wholesale to distributors or directly to retail accounts.

The report defines a "brewpub" as not being too distinctive from a microbrewery. A brewpub has a retail on-premise account integrated with or integrated to the brewing facilities to distribute some or all of the beer produced. Brewpubs will possess smaller brewing capacities than microbreweries, particularly if the intent is to brew only enough beer for the retail outlet.

The background provided in the report will give a reader a basic understanding of "where micro/pub brewers are coming from" as well as provide a foundation from which one can make his own analyses, says Tom Soder, MBR's research director and project coordinator. Because of the broad interest base within the report, it is written to be understood by those with little or no commercial brewing industry experience, says Soder.

The price of the report is $40 per copy in the U.S. and Canada, $45 elsewhere.

For further information, write or call: MBR International, 1940 Mount Vernon Court, No. 15, Mountain View, CA 94040; (415) 964-1462. □



Hoist up your sales.

Dr Pepper's rigged up a whole new look that's already making consumers go overboard.

But our look isn't all that's new. Our whole crew's charting aggressive, innovative new courses. Our new advertising and promotions are as out of the ordinary as our soft drink. And that signals plenty of smooth selling for you.

So feature the new Dr Pepper. With the great new look outside, and that same great taste inside, consumers are sure to get the message.

Hold out for the out of the ordinary.

Adapt Vending intros versatile vender in U.S.

NEW YORK—Adapt Vending Services of London, England, has begun marketing its versatile vending machine, called the "Adapt 747 Beverage Dispenser," in the United States. The unit can give up to 60 selections.

Adapt 747 Beverage Dispenser stands on a tabletop or desk, occupies 2½-sq.-ft. of space and costs from $25 a week to rent. State-of-the-art microprocessor control and pre-packed ingredients makes this machine easy to operate, according to a company spokesman.

The system, although easy to operate, can give a wider choice of hot and chilled drinks than many large and expensive automatics.

• For further information on **Adapt Vending Services, Inc.**, circle no. 331 on the reader service card. □

← Circle No. 124
on Reader Service Card

Consolidation trend reflects fewer, but larger firms

U. S. beer wholesaler sales volume rankings and barrelage size

Sales Range	1982 Cumulative Number of Wholesalers	1982 Cumulative Percent of Total	1983 Cumulative Number of Wholesalers	1983 Cumulative Percent of Total	1982 Estimated Cumulative Barrelage Volume (000)	1982 Cumulative Percent of Total	1983 Estimated Cumulative Barrelage Volume (000)	1983 Cumulative Percent of Total
	19	.42	26	.59	9,975	5.47	13,780	7.49
$50 million or more	60	1.32	75	1.70	24,735	13.56	30,685	16.69
$25 to $50 million	353	7.78	373	8.44	73,959	40.53	78,365	42.62
$10 to $25 million	839	18.49	937	21.21	108,951	59.71	117,845	64.09
$5 to $10 million	1,586	34.95	1,691	38.28	137,710	75.47	145,366	79.06
$3 to $5 million	2,606	57.43	2,573	58.25	162,190	88.88	165,652	90.09
$2 to $3 million	3,650	80.43	3,539	80.12	177,328	97.18	179,176	97.45
$1 to $2 million	4,278	94.27	4,108	93.00	181,849	99.66	183,159	99.61
$500,000 to $1 million	4,537	99.98	4,410	99.84	182,470	100.00	183,853	99.99
Less than $500,000	4,538	100.00	4,417	100.00	182,472	100.00	183,869	100.00
Unclassified								

Copyright: **Beverage Industry** and Beverage Marketing Corp. August 1984

The top domestic brewers 1971 - 1983 (E)

(Millions of Barrels)

	1971	1977	1978	1979	1980	1981	1982	1983(E)
Anheuser-Busch	24.3	36.5	41.6	50.2	54.5	54.5	59.1	60.5
Miller	5.1	24.2	31.3	35.8	37.3	40.3	39.3	37.5
Stroh*	9.3	10.8	10.2	9.6	9.8	9.1	22.9	24.3
Schlitz	16.7	22.1	19.6	16.8	15.0	14.3	(a)	(a)
Heileman	9.4	10.6	10.5	11.2	13.3	14.0	14.5	17.5
Coors	8.5	12.8	12.6	12.9	13.8	13.3	11.9	13.7
Pabst	11.8	16.0	15.4	15.1	15.1	13.5	12.3	13.0
Olympia	4.2	6.8	6.7	6.0	6.1	5.7	5.2	(b)
Genesee	1.6	2.8	3.0	3.4	3.6	3.6	3.4	3.2
Schmidt	3.2	3.5	3.8	3.8	3.6	3.2	3.1	3.0
General/Falstaff	5.1	4.2	3.5	3.0	2.6	2.1	2.0	1.7
Pittsburgh	1.2	0.7	0.6	0.7	1.0	0.9	1.0	1.0
Subtotal	100.4	151.0	158.8	164.5	171.4	174.5	174.7	175.4
All Others	26.0	8.4	6.9	8.0	6.5	7.8	7.7	9.1
TOTAL	126.4	159.4	165.7	172.5	177.9	182.3	182.4	184.5

* Includes Schaefer
(a) Schlitz acquired by the Stroh Brewery
(b) Olympia acquired by the Pabst Brewing Co.

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(Continued from page 1)

equipment have improved the efficiency of the industry, but has also made small-scale plants difficult to operate profitably.

In the beer industry, the story is somewhat different. Consolidation of the distributors is a direct reflection of the consolidation of the breweries. "Today, to be an efficient beer distributor you need the high volume brand of a large national brewer. Regional and local brands often can not give a distributor enough volume to be profitable," says Bellas.

Soft drinks

Slightly less than 3,000 soft drink facilities service the whole country now, including 1,500 production facilities and about 1,500 distribution points. Bellas estimates this could drop to as few as 500 production facilities by the end of the century, but the distribution points will remain.

"We're dealing with some very big soft drink entities," he says. "The emphasis is on volume. The bottlers are more into promotions and price-offs than ever because of this. You just need more money today to do it all. The whole industry is becoming much more professionalized."

In 1983, 78 plants achieved the $50 million or more sales bracket, an increase from 67 in 1982, according to The Beverage Marketing Corp. report *The U.S. Soft Drink Sales Survey*. In 1982, there were 1,552 soft drink plants; in '83, there were only 1,460. Plants either went out of business or were acquired, Bellas says.

In general, soft drink plants must reach $10 million or more in sales to be successful, the study reveals; these plants are increasing in numbers while plants with sales under that figure are decreasing. Only

Soft drink bottler sales size and concentration

Sales range	1982 Estimated Cumulative Wholesale Sales Volume (000)	1982 Cumulative Percent of Total	1983 Estimated Cumulative Wholesale Sales Volume (000)	1983 Cumulative Percent of Total	1982 Estimated Cumulative Gallonage Volume (000)	1982 Cumulative Percent of Total	1983 Estimated Cumulative Gallonage Volume (000)	1983 Cumulative Percent of Total
$50 million or more	$6,365,000	31.92	$7,683,000	36.50	2,345,000	30.26	3,003,000	36.66
$25 to $50 million	$10,827,500	54.30	$12,258,000	58.23	4,130,000	53.29	4,772,000	58.26
$10 to $25 million	$15,937,500	79.93	$17,385,500	82.59	6,174,000	79.67	6,749,750	82.40
$5 to $10 million	$17,932,500	89.93	$19,275,500	91.57	6,972,000	89.96	7,505,750	91.63
$3 to $5 million	$19,000,500	95.29	$20,223,500	96.08	7,372,500	95.13	7,861,250	95.97
$2 to $3 million	$19,625,500	98.42	$20,743,500	98.55	7,622,500	98.36	8,069,250	98.51
$1 TO $2 million	$19,889,500	99.75	$20,982,000	99.68	7,728,100	99.72	8,164,650	99.68
$500,000 to $1 million	$19,922,500	99.91	$21,012,750	99.83	7,741,300	99.89	8,176,950	99.83
Less than $500,000	$19,939,[illegible]	100.00	$21,029,750	99.91	7,748,200	99.98	8,183,750	99.91
Unclassified	$19,940,150	100.00	$21,049,250	100.00	7,749,700	100.00	8,191,250	100.00

(a) Soft drink bottler and canner package and bulk sales only. Does not include bulk sales through other distribution

Copyright: **Beverage Industry** and Beverage Marketing Corp. August 1984

about a third of the soft drink plants have annual sales at $10 million or more; two-thirds of them fall below that level.

In terms of sales volume, however, bottlers over $10 million in sales accounted for 82.6% of the total wholesale volume in '83. That's up from 79.9% in 1982.

These same bottlers accounted for 82.4% of the total estimated gallonage in '83, up from 79.7% in '82.

In the beer industry, the numbers are even more striking.

Beer industry

To understand what is occurring on the wholesale level, it is easiest to first examine the brewers.

The top 10 brewers controlled 79.2% of the U.S. beer market in 1971, but 12 years later the top 10 was responsible for roughly 95% of beer sales, according to the recently released BMC study *The U.S. Beer Market and Packaging Report.*

To further illustrate the point, the top six brewers accounted for 63.2% of industry barrelage in 1971, yet last year the top six accounted for more than 90% and the top two, Anheuser-Busch and Miller, neared 55% of the market.

Overall, industry growth continues, but it is slow, approximately 1% in '83, according to the report. While there have been some dramatic success stories, cannibalization has been the rule. Pittsburgh Brewing is a good example; its Iron City Light has dominated national brands in a targeted local market, but, in the meantime, sales of its regular Iron City have been falling.

Inevitably, despite new product introductions and aggressive marketing, the flat barrelage base will cause further cannibalization of brands. The regionals and locals will be on the defensive, the report says, in an effort to battle the large marketing budgets of the national brands.

Overall, 1983 was a tough year for small regional and local brands. "The best results in the local tier went to the 'niche' brewers that could hold their barrelage in the face of a fiercely competitive marketplace," the study reports.

Beer wholesalers

Seven new distributors joined the ranks of those that cleared $50 million, bringing the total to 26. Eighteen are A-B distributors; five Miller; one Stroh/Coors; one Heileman and one Coors.

Generally, the number of wholesalers that have achieved more than $5 million in sales are growing; the number in the $3-$5 million sales range have been flat; and, those under $3 million in sales have been decreasing, according to the *1983 U.S. Beer Wholesaler Sales Survey*, also published by the Beverage Marketing Corp.

Bellas adds, though, there are some increases in the number of distributors below $500,000 in sales. "These are essentially import brands that are attached to wine and spirits companies," he says.

For more information on these just-released BMC studies, *The U.S. Beer Market and Packaging Report, 1983 The U.S. Beer Wholesalers Sales Survey* and *1983 U.S. Soft Drink Market Sales Survey*, write the Beverage Marketing Corp., 866 Second Ave., New York, NY 10017; or phone them at (212) 688-7640. □

Soft drink bottler sales volume rankings

Sales Range	1982 Number of Plants	1982 Percent of Total	1982 Cumulative Percent of Total	1983 Number of Plants	1983 Percent of Total	1983 Cumulative Percent of Total
$50 Million or more	67	4.32	4.32	78	5.34	5.34
$25 to $50 Million	119	7.67	11.98	122	8.36	13.70
$10 to $25 Million	292	18.81	30.80	293	20.07	33.77
$5 to $10 Million	266	17.14	47.94	252	17.26	51.03
$3 to $5 Million	267	17.20	65.14	237	16.23	67.26
$2 to $3 Million	250	16.11	81.25	208	14.25	81.51
$1 to $2 Million	176	11.34	92.59	159	10.89	92.40
$500,000 to $1 Million	44	2.84	95.43	41	2.81	95.21
Less than $500,000	69	4.45	99.87	68	4.66	99.86
Unclassified	2	.13	100.00	2	.14	100.00
Total	1,552			1,460		

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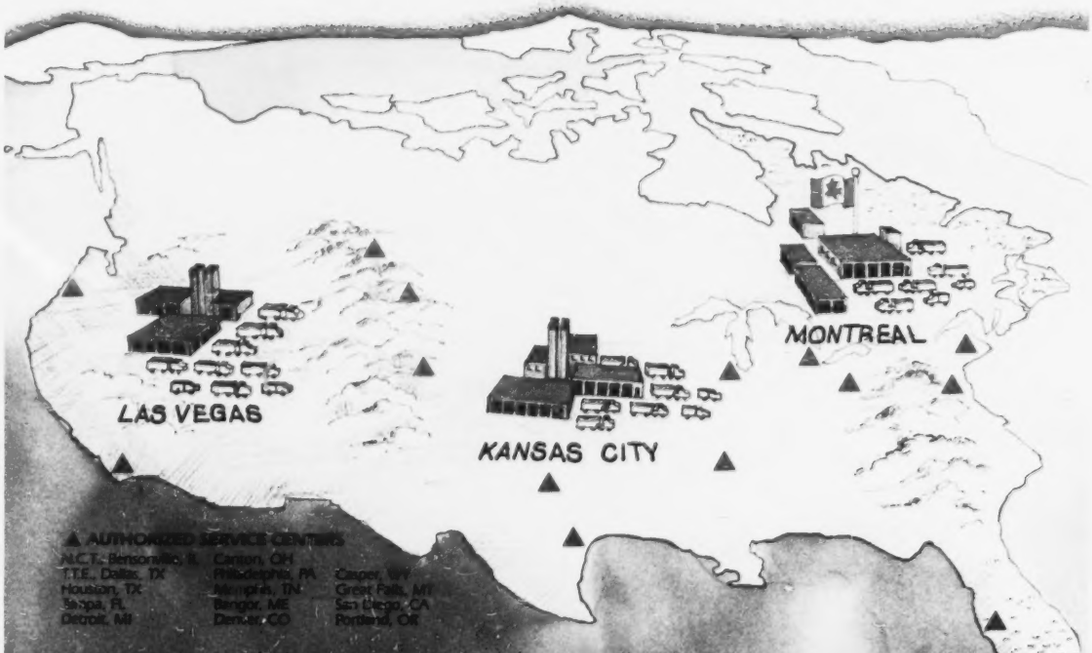
WHERE'S HESSE?



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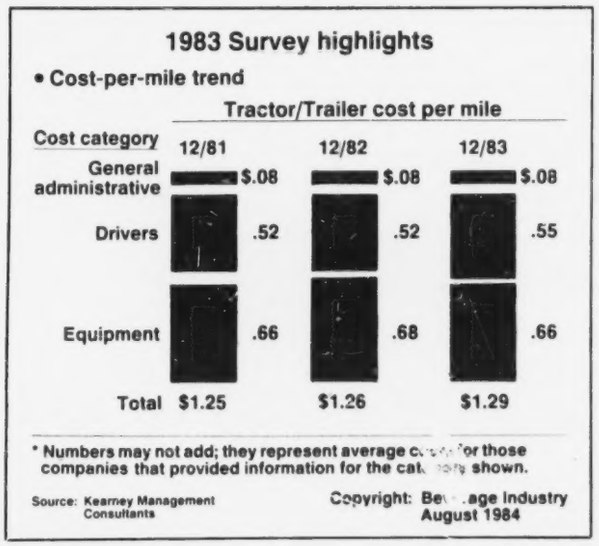


Cost of fleet operation rises 2% to $1.29/mile

WASHINGTON D.C.—The cost of operating a private tractor-trailer fleet in North America inched upward 2% to $1.29 per mile in 1983, according to the results of the latest national survey of private truck fleets.

Improvements in the economy, productivity gains and new regulatory freedoms were cited as primary reasons for the relatively small increase in the cost index. The survey was the fourth Private Fleet Cost Index survey sponsored by the Private Truck Council of America, Inc. (PTCA) and A.T. Kearney, Inc., management consultants.

"Productivity improvements in the areas of driver and equipment utilization helped offset per-mile increases in driver labor and equipment costs," comments Michael Lipman, principal of A.T. Kearney.

Participation in the survey increased 46% over last year to a record 443 private fleets, Richard Henderson, executive vice president of the PTCA reports. "The fleets are finding the cost and operating data extremely useful as indicated by the large number of inquiries we have received," Henderson notes.

Trucks

Several fleet operating areas experienced improvement, such as the miles-per-tractor average during the year rose to 97,000 in 1983, a 6% gain from 1982. Average miles-driven-per-driver increased to 76,400 in '83 compared with 75,000 the previous year. A key statistic, the percentage of empty miles, declined 21% of total miles, with average miles per gallon increasing to 5.4 overall.

Private fleets from over 25 industries participated in the cost survey. Tractor-trailer fleets made up more than 80% in the respondents' survey. Two other categories, straight truck-van fleets and mixed fleets, participated in fewer numbers and as a result, in Kearney's interpretation, provides less meaningful data in these categories.

Labor costs

Labor costs accounted for the largest increase in cost in 1983. Although wage rates increased overall, the differences between non-union and union company drivers began to narrow, reflecting some of the union wage concessions. Fleets with leased, non-union drivers had the lowest per-hour rates.

Smaller fleets (under 30 tractors) continued to operate less expensively at $1.25 per mile compared with $1.37 for larger operations. The survey found the equipment cost advantages of larger fleets were offset by higher driver and general and administrative expenses.

Smaller fleets were also more productive in 1983 as tractors averaged 99,300 miles per year compared with 91,400 miles for larger fleets, a significant reversal of performance in 1982.

Companies operating leased equipment experienced lower operating cost-per-mile due to what Kearney analysts interpreted as better utilization of equipment and drivers than company-owned fleets. Further analysis of leased fleets indicated that the majority were small fleets, less than 30 units. Costs for leased fleets averaged $1.26 per mile during 1983, nearly level with the previous year. □

Why you should spec a Mack truck you're not even thinking of buying.

Like many people, you've taken a hard-nosed look at the real cost of buying new trucks. And decided to lease. But if you think you're handing the problems of ownership to your lessor, your troubles could just be starting. Because you could be leasing a problem.

That's why you should seriously consider Mack® trucks. They've always been a smart buy. Today, they're just as smart to lease.

Read between the Bottom Lines

Look , the cost of full-service leasing is a straight tax deduction. And any truck you spec won't show up on the balance sheet. So you've got to look deeper.

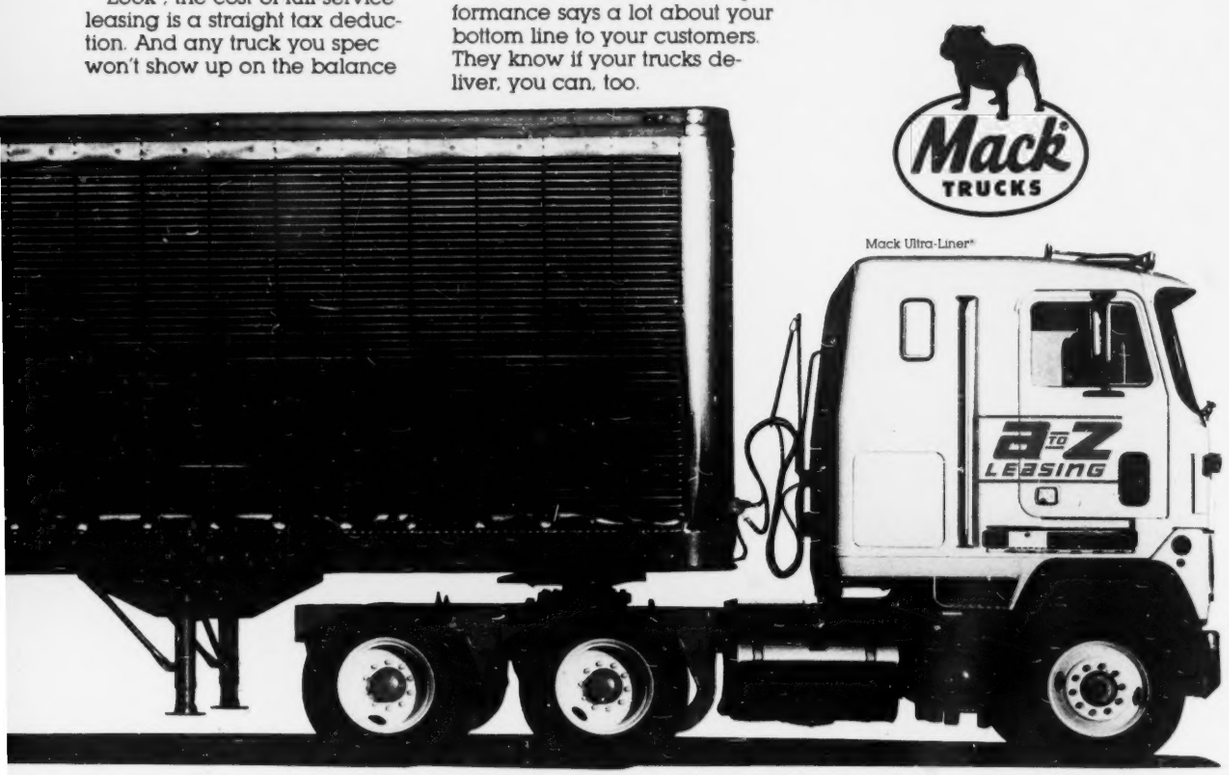
Mack trucks are an asset in lots of different ways. Like less frequent maintenance schedules. Easier servicing. And Mack's legendary dependability. Many Mack trucks have gone over a million miles without major work. So you know the ones you lease are going to spend their time on the road. And not in the shop. Mack's higher level of riding comfort is another factor — when your drivers are more productive, so is your company.

That kind of cost-effective performance says a lot about your bottom line to your customers. They know if your trucks deliver, you can, too.

"Built Like a Mack Truck"®

We build trucks with *Balanced Design*, using proven components that work together for the greatest efficiency. You can spec Mack Econodyne® engines, Maxitorque® and T-200™ transmissions. Or choose from a selection of popular components from other manufacturers.

Either way, you get Mack performance that rolls up a lot of miles, years and profits. Talk to your Mack dealer or leasing agent. The Mack trucks you lease could be the smartest buy you ever made.



What America needs is less bull and more Bulldog.

Ultra-Liner, Econodyne and Maxitorque are registered trademarks of Mack Trucks, Inc. ©1984

Shipments of blow molded packaging for beverages (MM units)

Product	1982	1985	1987	Average annual growth rate
Soft drinks	3,650	7,335	9,350	20.6%
Fluid milk	2,558	3,003	3,343	5.5%
Alcoholic beverages	102	309	690	53.0%
Total	6,310	10,647	13,583	17.0%

Source: Frost & Sullivan estimates

Copyright: Beverage Industry August 1984

Blow molded usage could expand 17%

NEW YORK—Plastic liquor and wine bottles are expected to spearhead a strong 17% annual growth rate within the food and beverage segment of the blow molded packaging market, according to a new study by Frost & Sullivan. The growth rate, according to the report, is the result of the revived economy and new applications for the packages.

The beverage and food end-use segment as a whole, which already accounted for 41% of industry shipments of 15.5 billion units in 1982, will make up 53% of a 25.6 billion unit market in 1987, concludes the report, *"Blow Molded Packaging, Resins and Associated Equipment."*

Blow molding's success in the soft drink market with PET containers has inspired resin and machine developments aimed at increasing the productivity of molders, some of which are now reported to approach glass bottle line speeds. This impacts the emerging end-use for alcoholic beverage packaging, the study states.

HDPE accounts for 69% of all resins used in blow-molded packaging. PET resins have a 21% share, with the remaining 10% scattered among various other resins, as detailed in the 228-page report.

Frost & Sullivan notes that gas-phase process technology permitting major increases in polymerization volume from existing reactors is having a major impact on the HDPE market. Other development work aims at allowing stiffer container walls without increasing thickness or losing strength.

Blow molding equipment markets and processes are also analyzed in the study, which is priced at $1,425.

For more information, contact Customer Service, Frost & Sullivan, Inc., 106 Fulton St., New York, NY 10038; or phone (212) 233-1080. Ask for report number 968. □

IH to discontinue gasoline engines

CHICAGO, IL—The International Harvester Truck Group has announced it will discontinue production of IH vehicles powered by gasoline engines Dec. 1. "We have studied this option at length and believe that the commitment of resources to the IH diesel program is, in the long-run, serving the best interests of our customers," says Neil A. Springer, president of the IH Truck Group.

"Diesel engines offer a number of significant advantages over comparable gasoline-powered engines. Our experience has proven that diesels provide more usable power at lower engine operating speeds, offer a considerable fuel savings advantage, and cut maintenance costs since they don't require tune-ups of the type normally associated with gasoline powered alternatives. Finally, because diesels are more durable, they offer a longer service life and higher resale value," explains Springer.

Another consideration in the IH decision to cease production of gas-powered vehicles involves the impact of future EPA emission standards on tomorrow's gasoline engines. "With substantial investments, the EPA standards can be met, but it appears so only at the expense of fuel economy, performance, reliability and durability. We feel such sacrifices do not serve the best interests of the truck buying public," says Springer. □

New high efficiency system Board trims cost

Mead makes the packaging you built your business on more efficient than ever with a new, ultra high-tech system named EDP* (Economical. Dependable. Promotable). The package, constructed of a new bi-laminate material called Ply-Tech, is lighter yet stronger than ever. With its Bottle Locker* feature, the EDP* gives you solid security against bottle pull-out at retail, yet removal remains easy for the consumer at home. The in-plant system is faster, more efficient, less complicated than any before thanks to a true breakthrough in state-of-the-art electronics. The bottom line is a packaging system that costs you less in materials, in capital outlay, in downtime, in labor, etc., etc., without sacrificing the valuable paperboard marketing features in billboarding and promotion you'll need to take you into the next century. Call your Mead rep for a look at the EDP* system.

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Poor weather hurts Japan's SD sales

Japanese shipment of soft drinks by major suppliers for 1982

(Unit = 000 actual cases)

	Supplier:	Carbonated:	Fruit Drink:	Milk Drink	Specialty Drink:	Total
1.	Coca Cola Group	199,150	29,800	18,000	4,000	250,950
2.	Kirin Brewery	25,700	23,520	2,200*	-	51,420
3.	Calpis Food	4,600	-	36,000	-	40,600
4.	Otsuka Chemical	-	-	-	32,280	32,280
5.	UCC Coffee	1,400	2,200	27,000	-	30,600
6.	Asahi Brewery	21,340	6,700	-	-	28,040
7.	PepsiCo Group	20,650	2,600	1,900	-	25,150
8.	Suntory	4,100	13,830	2,700	830	21,460
9.	Morinaga/Sunkist	1,500	10,200	5,000	330	17,030
10.	Pokka Corp.	-	3,000	14,000	-	17,000
11.	Sapporo Brewery	3,450	4,700	1,650	-	9,800
12.	Snow Brand Dairy	6,820	1,550	600	830#	9,800
13.	Fujiya Confectionery	1,000	5,400	3,400	-	9,800

* Nestle brand coffee drink
\# Gatorade
Source: Yamasaki International

Copyright: Beverage Industry, August 1984

TOKYO—The soft drink industry in Japan is just as segmented and confusing to the Japanese consumer as it is in the United States, according to Sankicki Yamasaki, **Beverage Industry's** Far East correspondent. The end result of the confusion has been a drop in overall sales of soft drinks and juices, he says.

There are two reasons why the industry has endured poor sales in Japan. First, Japan has experienced such severe weather in the past few months that many consumers have remained indoors, thus, says Yamasaki, the soft drink industry has suffered through another year of poor sales.

The other reason is that retail prices have remained constant for the past 10 years despite increases in package costs. Although many people would say this would have just the opposite effect on sales, Yamasaki says this is not so. He says that although soft drink prices have remained stable, profit margins have been severely cut because of the increased packaging prices; thus, advertising and promotion budgets have been slashed to the bone resulting in consumer ignorance of new brands. In fact, says Yamasaki, disposable income among Japanese consumers increased last year even as soft drink sales dropped.

Colas command

Colas command approximately 34% of the soft drink market in Japan, giving credence to the belief that further expansion and keener brand competition results in consumer confusion, says Yamasaki.

Of that percentage, nearly 90% is controlled by Coca-Cola. The Coca-Cola group shipped 199,150,000 cases of carbonated soft drinks in 1982. Figures for 1983 are not available.

In all, the Coca-Cola concern handled approximately 250,950,000 beverages that year, far exceeding its closest sales competitor, Kirin Brewery. The Kirin Brewery shipped only 51,420,000 packages during 1982.

Lemon-lime flavored sodas had a market share of 29%, closely following the cola segment. From that point, however, market shares of various soft drinks drop dramatically. Orange-flavored sodas have the third largest share of the Japanese market with 9.9%. □

Wisdom markets Hudepohl brand in western states

IRVINE, CA—Wisdom Import Sales Co., Inc., the West's largest beer importer, has been appointed marketing and sales representative for Hudepohl Brewing Co.'s Christian Moerlein Beer in 11 western states.

The beer will be supported with a variety of point-of-sale displays and advertising that will emphasize the brand theme "Christian Moerlein—Quite Simply a Better Beer." □

Top Erie, PA, bottler reports:

"Klenzade helped streamline our sanitation program and cut costs, too!"

The Erie Bottling Corporation in Erie, PA, serves a two-county area which includes metropolitan Erie and Erie County, plus neighboring Crawford County. In spite of a poor economy, the company has continued to grow and is number one in their market today.

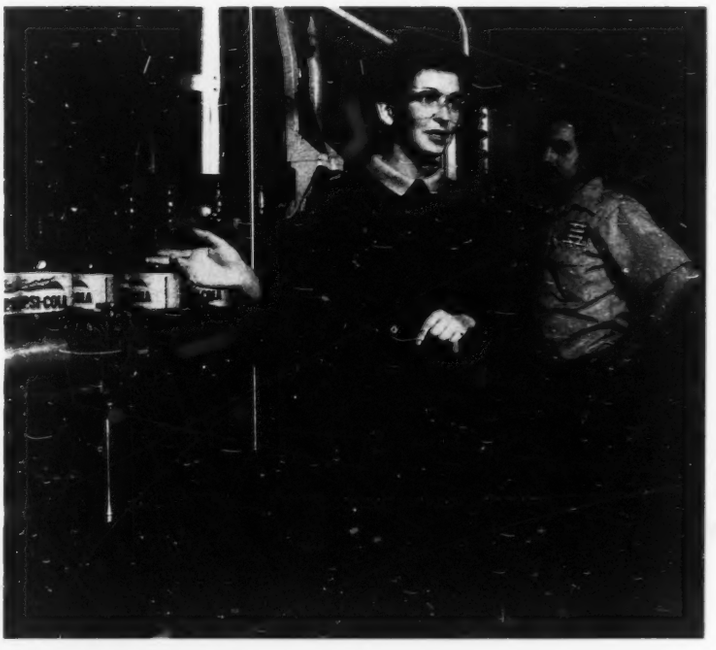
Growth, coupled with increased consumer demand for a wider variety of package options, lead to a major plant renovation in 1981. And, as Production Manager Mary Kavanagh explains, the plant sanitation program was also re-evaluated with an eye towards streamlining.

Bulk Purchase Saves 17%.

"Prior to renovation, powdered detergents and sanitizers were the standard. The delivery equipment caused problems, levels were sometimes difficult to judge and there was almost always spillage," explained Kavanagh.

"So when our new production line was completed, we asked Klenzade to recommend needed changes.

"We decided to switch from powdered caustic to Klenzade liquid delivered in bulk for two reasons. One, the liquid is much easier to measure. We use two Klenzade Senso-Matic units to monitor caustic levels in the bottle washer and another unit maintains levels in the pre-mix and post-mix tank washer. Secondly, buying caustic in bulk has helped reduce our costs about 17% over the old powder system."



Klenz-Glide
'Works like a charm'

Gary Frye, the Klenzade Account Manager, also helped eliminate a troublesome conveyor problem. According to Kavanagh, "Both the 10-ounce and 16-ounce non-returnable plastishield-covered packages 'acted like a squeegee' on our conveyors. But since we started using Klenzade Lubri-Klenz lube, we haven't had any problems. It works like a charm.

"We put a tremendous emphasis on quality control," noted Kavanagh, "and Klenzade's total sanitation program is providing us with excellent results."

To learn how Klenzade's total sanitation program can help you save time, water, energy and labor, write Kirby Olesen, Fluid Products Marketing Manager, Klenzade, Division Economics Laboratory, Inc., St. Paul, Minnesota 55102. Or call Klenzade at 800-328-3663.

KLENZADE™
Division of Economics Laboratory, Inc.
St. Paul, Minnesota 55102

Circle No. 132 on Reader Service Card

What is the average salaries by company size?*

(Average total industry by no. of employees)

Title	1 - 99	100-299	300-499	500
President/Owner	$181,389	$88,148	$93,333	$95,000
Executive VP	59,605	68,947	79,167	85,714
Treasurer/Controller	34,286	41,417	43,500	57,000
General Manager	47,111	58,969	63,214	66,250
VP Manufacturing/Production	32,500	53,500	56,500	62,083
VP Sales/Mktg.	40,700	41,250	45,000	62,813
Marketing Manager	31,786	33,500	38,929	50,694
Sales Manager	29,894	34,032	34,231	36,250
Plant Manager	31,500	32,500	50,000	65,500
Operations Manager	32,976	37,083	42,250	49,412
Vending Manager	23,500	25,000	30,000	35,000
Warehouse Manager	26,667	32,500	37,435	42,500
Truck Fleet Manager	22,500	23,750	25,360	26,250
Production Supervisor	25,625	27,500	30,833	40,833
Purchasing Manager	28,750	25,000	25,000	48,750
Quality Control Manager	24,643	27,083	37,500	42,857
Chemist/Flavor Manager	None	None	32,500	36,667
Others	37,500	33,750	26,500	44,531
Engineers	39,167	42,500	37,500	39,730
Other Managers/Supervisors	27,857	29,583	32,500	43,583
Other Corp. Executives	None	17,500	22,500	44,375
EDP Personnel	None	37,500	35,450	36,500
Accounting Personnel	25,000	24,167	27,500	25,500
Scientists &Technicians/R&D Personnel	None	None	37,500	46,000

*Does not include fringe benefits

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Survey reveals top executive salary levels

(Continued from page 1)

the beverage industry is. But by consensus, he or she is the president or owner of a brewery which employs more than 500 people, has 30 years of experience and a Master's degree.

How they rank

Average salaries for those in top managment are $61,803; for middle managment, $43,008; and for supervisory levels, $34,498.

Presidents and executive vice presidents are the highest paid executives in all three beverage fields. Third highest paid in soft drink plants is the general manager, averaging $54,301 per year. General managers are also the third highest paid in beer distributorships, averaging $45,775. Third highest paid in breweries is the vp-marketing, averaging $69,999.

Lowest paid executives in the brewing industry is the warehouse manager. In soft drinks, the lowest paid is the fleet manager. These two titles also tied for lowest pay in beer wholesaling.

Raises

Although nearly one-fourth of the respondents, 24.1%, said they received raises of less than 2% this year, the across the board increases in all three industries averaged 6.2%.

Marketing managers led all other titles, reporting an average increase of 7.7%. Production supervisors came in second with a 7.1% average. Third was purchasing managers with a 6.9% average increase. Tied for fourth with 6.8% increases were vending managers and quality control managers.

In the soft drink industry the average raise was 6.7%; 13.8% indicated they received increases of less than 2%.

Marketing managers came off best, reporting in with 7.7% increases. Next highest was executive vice presidents with 7.5% increases.

Third highest was quality control managers with 7.2% pay hikes. Tied for fourth were operations managers and vending managers with an average increase of 6.9%.

In breweries, the average increase was 6.9% with 10% indicating they received raises of less than 2%.

Production supervisors pulled in the highest increases, averaging 9.1%. Executive vice presidents reported average increases of 7.5% and vp-sales/marketing had 7% increases. All others were below the industry average.

It was tough to get an increase in the beer wholesaling industry last year. The industry average increase was 4.9%.

Treasurers and controllers, however, had average increases of 7.3%. Plant managers and warehouse managers were tied for second with average increases of 6%. Tied for third were general managers and sales managers who averaged 5.1% pay hikes.

Experience, education

In general, those executives with the most experience and the most education make the higher salaries. The single exception is in the brewing industry where those with Ph. D. degrees average $2,000 less in salary than those with master degrees.

The average number of years experience among all respondents was 16.

Those with high school or less education average $41,604 in the three industries with beer distributors paying an average of $52,085 to these executives

Soft drink firms and breweries pay considerably less, averaging $36,152 and $32,500 respectively.

Executives with doctorates are the highest paid in the soft drink industry averaging $59,999, $6,000 more than those with Masters. In breweries, Master degrees get the highest salary, $50,138 to $48,125 for a Ph. D. None of the beer wholesaler respondents had a doctorate.

Satisfactory salaries

More than three-fourths of the executives, 76.6%, indicated that they thought they were "fairly compensated for the job they do."

Among those who are most pleased with their compensation levels are presidents and owners, executive vps, general managers, vp-production, and plant managers.

The most displeased executives are fleet managers, quality control managers, sales managers, purchasing managers and vending man-

(Continued on page 32)

"In the soft drink industry the average raise was 6.7% . . . in breweries 6.9% . . ."

"Lowest paid executive in the brewing industry is the warehouse manager. In soft drinks . . .the fleet manager. . . In beer wholesaling these titles tied."

Average (median) salaries by job function

	Total	Soft Drink Plants	Breweries	Beer Distributors
President/Owner	$67,104	$74,698	$94,374	$65,235
Executive VP	$65,389	$71,055	$81,249	$55,832
Treasurer/Controller	$42,573	$43,804	$45,224	$38,124
General Manager	$49,905	$54,301	$44,999	$45,775
VP Manufacturing/Prod.	$51,931	$51,999	$51,249	—
VP Sales/Marketing	$48,862	$50,312	$69,999	$41,020
Marketing Manager	$39,539	$39,482	$47,142	$29,359
Sales Manager	$32,782	$39,190	$39,999	$29,762
Plant manager	$38,226	$31,558	$60,713	—
Operations Manager	$38,591	$36,428	$48,234	$32,499
Vending Manager	$31,166	$30,714	—	—
Warehouse Manager	$28,344	$29,374	$24,649	$27,499
Truck Fleet Manager	$26,359	$23,455	$52,499	$27,499
Production Supervisor	$31,428	$26,021	$38,999	—
Purchasing Manager	$35,492	$31,429	$45,277	$29,166
Quality Control Manager	$32,442	$27,415	$42,916	—
Chemist/Flavor Room Mgr.	$36,070	$34,166	$37,499	—
Engineer	$39,555	$39,791	$39,469	—

*Does not include fringe benefits

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Educational Experience

	Total Median Salaries	Soft Drink Plant Median Salaries	Breweries Median Salaries	Beer Distributors Median Salaries
High School or Less	$14,604	$36,152	$32,500	$32,085
Some College	$44,057	$39,407	$41,462	$42,674
Bachelors Degree	$49,583	$47,778	$44,395	$54,857
Masters Degree	$51,813	$53,059	$50,138	$50,808
Ph.D.	$53,213	$59,999	$48,125	—

*Does not include fringe benefits

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Salaries vs. experience*

Years Experience	Total Median Salaries	Soft Drink Plants Median Salaries	Breweries Median Salaries	Beer Distributors Median Salaries
2 or Less	$32,494	$33,022	$34,166	$26,549
3-5	$36,930	$32,804	$41,276	$44,310
6-9	$39,535	$35,732	$42,243	$42,430
10-14	$43,940	$43,100	$41,250	$46,454
15-19	$51,627	$48,074	$48,300	$58,760
20-24	$51,655	$47,654	$52,000	$60,245
25-29	$55,292	$56,022	$55,000	$54,286
30 or More	$56,938	$49,610	$51,093	$68,913

*Does not include fringe benefits

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Survey reveals top executive salary levels

(Continued from page 30)
agers.

Surprisingly, 11% of the owners and presidents also said they did not feel they were adequately compensated.

Proving a correlation between compensation and satisfaction, a high number felt their role was recognized.

Over 82% of the respondents indicated they felt their employers recognized the importance of the role they play in the success of the company.

Highest scores among those who feel they are recognized were by presidents and owners, vp-sales/marketing, plant managers, marketing managers, and executive vps.

Almost half, 45.7%, of the quality control managers felt their role was not recognized. Other titles which indicated they did not feel the importance of their contribution is being felt were warehouse managers, production supervisors, vending managers and fleet managers.

Fringes

As in most industries, health care plans and insurance top the list of fringe benefits; 97.3% of the respondents said their firms offer these programs. Paid vacations are offered by 89.9% of the firms.

Dental plans, company cars and bonuses are offered by approximately 60% of the firms. Profit sharing and stock purchase plans are offered by about one-third of the plants.

Among additional fringes were savings plans and deferred compensation, country club dues, disability plans and insurance, and paid sick days and vacations.

Among the least practiced fringes for top executives were credit unions, cafeterias, double-paid vacations and free products. □

"As in most industries, health care plans and insurance top the list of fringe benefits . . ."

RC restaffing, relocation seen

(Continued from page 1)
that "Fred never met Posner at any time, up to and including the day he left."Adamany's latest contract guaranteed his $245,000 salary through 1988. His first public comment since leaving RC was that he "had a better deal."

He reportedly will be executive vp in charge of the Beatrice food and Tropicana operations. His "street smarts" from the beverage field and background in the supermarket industry (Piggly Wiggly) should get a work out as the new food items from the Beatrice's Esmark acquisition are integrated into the new company alignment.

Adamany will also continue to be involved in the RC and soft drink business. He was a partner in the Mike Weil acquisition of company-owned plants last year.

As for who will replace Adamany, the initial word was that an "in-house" search had been launched.

Although various financial sources have speculated that Posner will sell off the various segments of the firm, this is not necessarily true. Most of his acqusitions have been retained with an emphasis on profitability.

Complicating the situation, of course, is Posner's deal to acquire National Can, a major supplier of beverage packages. If a conflict of interest is perceived either by customers or by the FTC, Posner may be forced to sell one or the other. Bottlers are betting that he'll unload Royal Crown.

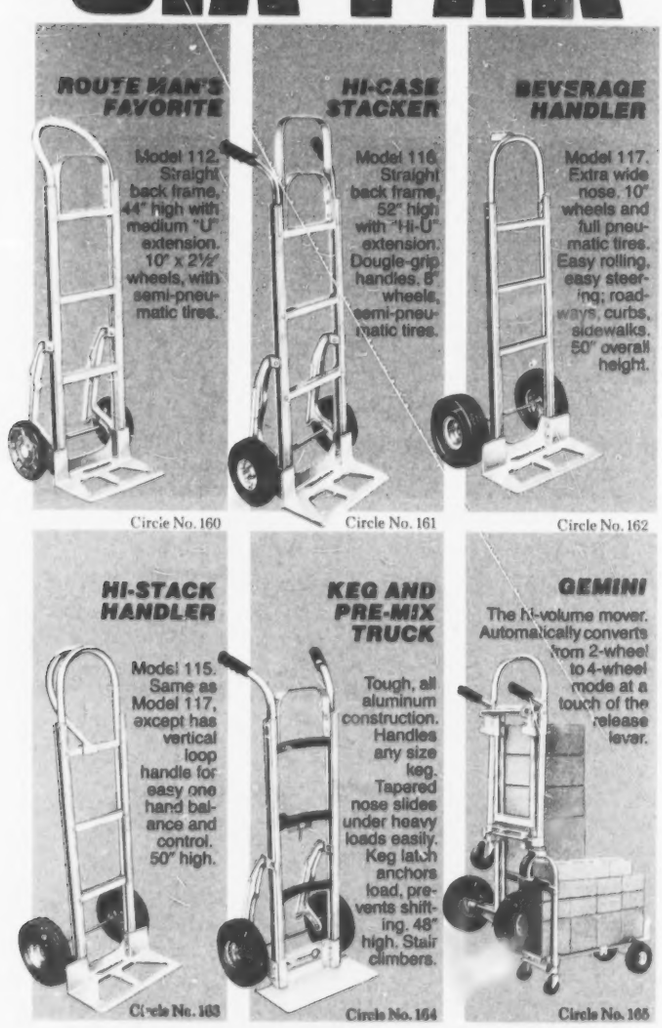
He is viewed more as a cost-cutter than a seller. To this end, the headquarters relocation to Atlanta and a curtailment of support funds can be expected. Bottlers also expect him to restaff the firm, at least initially with "bean counters" from his existing financial network.

William T. Young and Donald McMahon who were replaced as chairman and president of the firm effective with the acquisition will also be leaving the firm in December.

Meanwhile RC bottlers are beginning to feel the pinch. "No one has paid any attention to this firm's products for the six months this deal has been in the works," commented a deep south franchise.

Others told of knowing of several firms which were within days of going bankrupt. The president of a midwest bottling firm added, "If something happens and they don't get their reimbursement checks, they're really going to be hurting. Matter of fact, we all will." □

VARIETY SIX PAK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HI-CASE STACKER
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Circle No. 161
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Circle No. 162
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Model 115. Same as Model 117, except has vertical loop handle for easy one hand balance and control. 50" high.
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Retail volume of powdered drink mixes (mil. gal. equivalent, water-base beverages only)

	1974		1975		1976		1977		1978		1979		1980		1981		1982		1983		Change
	Vol.	Pct.	Vol.	Pct.	Vol.	Pct.	Vol.	Pct.	Vol.	Pct.	Vol.	Pct.	Vol.	Pct.	Vol.	Pct.	Vol.	Pct.	Vol.	Pct.	1982/83
General Foods																					
Kool-Aid*	406.5	54.9%	448.9	54.3	473.3	52.0%	508.0	43.3%	506.0	45.5%	491.4	44.7%	486.5	43.%	520.0	46.4%	546.0	47.9%	606.0	46.6%	11.0%
Kool-Aid†	102.7	13.9	140.9	17.0	141.0	15.1	151.0	14.4	149.6	13.5	153.4	13.9	165.9	14.9	142.7	12.7	143.0	12.5	197.0	15.2	37.8
Crystal Light	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	55.0	4.2	—
Country Time	—	—	—	—	39.0	2.0	50.0	4.6	61.7	5.5	72.6	6.6	72.4	6.5	64.4	5.8	62.2	5.5	44.0	3.4	(29.3)
Total	509.2	68.8	589.8	71.3	653.3	69.1	709.0	67.5	717.3	64.5	717.6	65.2	724.8	65.1	727.1	64.9	751.2	65.9	902.0	69.4	20.1
Borden																					
Wyler+	135.4	18.3	130.9	15.8	114.5	12.2	105.0	10.0	62.4	5.6	62.4	5.7	67.2	6.0	98.4	8.8	153.6	13.5	191.5	14.7	24.7
Borden Prize	—	—	—	—	17.5	1.8	13.0	1.2	4.8	0.4	4.8	0.4	—	—	—	—	—	—	—	—	—
ReaLemon Crystals	—	—	—	—	—	—	—	—	—	—	—	—	9.6	0.9	12.0	1.1	7.2	0.6	3.5	0.3	(51.4)
Total	135.4	18.3	130.9	15.8	132.0	14.0	118.0	11.2	67.2	6.0	67.2	6.1	76.8	6.9	110.4	9.9	160.8	14.1	195.0	15.0	21.3
Coca-Cola																					
Hi-C	—	—	—	—	—	—	—	—	45.6	4.1	42.3	3.8	33.6	3.0	26.4	2.4	—	—	—	—	—
Minute Maid	—	—	—	—	—	—	—	—	34.3	3.1	36.6	3.3	40.3	3.6	36.3	3.2	31.0	2.7	28.0	2.2	(9.7)
Total	—	—	—	—	—	—	—	—	79.9	7.2	78.9	7.1	73.9	6.6	62.7	5.6	31.0	2.7	28.0	2.2	(9.7)
R.J. Reynolds																					
Hawaiian Punch*	—	—	—	—	—	—	—	—	52.3	4.7	33.0	3.0	27.0	2.4	16.0	1.4	12.0	1.1	6.0	0.5	(50.0)
Hawaiian Punch	—	—	—	—	65.6	6.0	75.0	7.1	53.9	4.9	48.0	4.4	41.0	3.7	39.0	3.5	22.0	1.9	14.0	1.0	(36.4)
Total	—	—	—	—	65.6	6.0	75.0	7.1	106.2	9.6	81.0	7.4	68.0	6.1	55.0	4.9	34.0	3.0	20.0	1.5	(41.2)
Pillsbury																					
Funny Face	51.4	6.9	47.2	5.7	39.0	4.5	24.0	2.3	16.9	1.5	—	—	—	—	—	—	—	—	—	—	—
Square	—	—	—	—	18.5	1.9	14.0	1.3	2.5	0.2	—	—	—	—	—	—	—	—	—	—	—
Total	51.4	6.9	47.2	5.7	57.5	6.4	38.0	3.6	19.4	1.7	—	—	—	—	—	—	—	—	—	—	—
Lipton Lemon Tree	—	—	—	—	—	—	—	—	—	—	21.0	1.9	23.0	2.1	11.5	1.0	4.0	0.4	1.0	0.1	(75.0)
Private Labels & Others	44.0	6.0	59.1	7.2	73.7	4.5	110.7	10.6	122.0	11.0	135.3	12.3	146.8	13.2	153.3	13.7	159.0	13.9	154.0	11.8	(3.1)
Total Market Volume	740.0	100.0%	827.0	100.0%	982.0	100.0%	1,050.7	100.0%	1,112.0	100.0%	1,101.0	100.0%	1,113.3	100.0%	1,120.0	100.0%	1,140.0	100.0	1,300.0	100.0%	14.0%
Total Sales ($ Mil.)	$235		$420		$480		$500		$530		$552		$629		$680		$640		$800		

*Unsweetened.
†Presweetened, includes aspartame.
Source: Lehman Brothers Kuhn Loeb Research

Copyright: John C. Maxwell
Beverage Industry, August 1984

NutraSweet boosts sales 14% in '83

(Continued from page 4)
recorded drops of 51.4% and an even 50%, respectively, over 1982's volumes.

Advertising costs

Overall advertising costs for powdered drink products increased 33.5% during the year also. Total dollars were $36.7 million versus $27.5 million in '82, according to Maxwell.

General Foods was the top advertiser last year, accounting for 90% of the segment's advertising. The company increased its year-to-year spending by 38.1%. Although General Foods lowered the dollars allotted for Country Time, advertising revenues for Kool-Aid increased by nearly 26%.

Borden and R.J. Reynolds, says Maxwell, also posted impressive gains in advertising for their powdered drink mixes, 55% and 50%, respectively. □

CB's 'Juice-A-Therm' units unitized for processors

CEDAR RAPIDS, IA—Juice processors no longer have to seek the advice of numerous equipment manufacturers because, according to officials with Cherry-Burrell Corp., complete unitized juice systems are now available.

Called "Juice-A-Therm," the systems can be custom designed to fit each processor's requirements. "No longer do juice processors have to compromise the end product to fit a specific supplier's system because only a limited number of heat exchange types are offered," says John W. O'Brien, vp of marketing communications.

The company is now offering processors six distinct kinds of heat exchangers, including system components mounted as modules to cut installation time and cost.

One particular exchanger is the "Thermaflex" model, primarily used for single strength, low-pulp content juices. The plates can be streamed to produce the volume desired.

Juice-A-Therms are available in either standard pasteurized or aseptic-UHT models.

• For additional information on **Cherry-Burrell's flexible juice systems**, circle no. 314 on the reader service card. □

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Beverage Business Indicators*

Selected Consumer Price Index (base: 1967 = 100)

	February 1984	March 1984	% Change	March 1983	Mar. '83 vs. Mar. '84 % Change
Cola	318.3	319.1	0.3%	314.1	1.6%
Other carbonated soft drinks	152.6	153.2	0.4%	146.7	4.4%
Noncarbonated drinks	144.5	144.9	0.3%	141.1	2.7%
Wine	232.4	233.6	0.5%	239.1	(2.3%)
Beer and ale	227.7	228.7	0.4%	219.8	4%

The Consumer Price Index (CPI) is a measure of the average changes in prices over time in a fixed "Market basket" of goods and services. The index measures price changes from a designated reference date which equals 100 (usually 1967). An increase of 22 percent, for example, is shown as 122. This change can also be expressed in dollars as follows: The price of a base period "market basket" of goods and services in the CPI has risen from $10 in 1967 to $12.20.

Source: U.S. Department of Labor Bureau of Labor Statistics

Closures for Beverages (thousands of gross)

	November 1983	December 1983	% Change	December 1982	Dec. '82 vs. Dec. '83 % Change
Metal (for spirits, wines)*	64,772	55,873	(13.7)	38,290	45.9
Plastic (for spirits, wines)*	115,546	114,486	(.9)	104,464	9.6
Metal Crowns (beer & soft drinks)	12,543	11,421	(8.9)	13,216	(13.6)
Soft drink (convenience and conventional)	4,081	5,799	42.1	4,910	18.1
Beer (convenience and conventional)	8,462	5,622	(33.6)	8,306	32.3
All other metal closures other than crowns	6,356	6,615	4.1	5,791	14.2

*thousands of units

Source: U.S. Department of Commerce Bureau of the Census

Bottle Shipments (thousands of gross) (not seasonally adjusted)

	November 1983	December 1983	% Change	December 1982	Dec. '82 vs. Dec. '83 % Change
Glass Bottle Production Total Bottles:	20,260	18,077	(10.8)	21,013	(14)
Beverage: Refillable	253	203	(19.8)	405	(49.9)
Nonrefillable	3,978	3,533	(11.29)	4,012	(11.9)
Beer: Refillable	111	133	19.8	39	241
Nonrefillable	6,142	5,462	(11.1)	6,708	(18.6)
Liquor	1,179	1,004	(14.8)	1,038	(3.3)
Wine	691	663	(4.1)	648	2.3
Plastic Bottle Production* Carbonated beverages	163,129	227,468	39.4	249,581	(8.9)

*thousands of units

Source: U.S. Department of Commerce Bureau of the Census

Selected Producer Price Index (base: 1967 = 100)

	February 1984	March 1984	% Change	March 1983	Mar. '83 vs. Mar. '84 % Change
Soft drinks	334.5	337.1	0.8%	325	3.7%
Alcoholic beverages	208.7	207.8	(0.4%)	203	2.4%
Beverages and beverage materials	270.0	270.2	0.1%	261.8	3.2%
Packaged beverage materials	339.5	338.5	0.3%	326	3.8%

The Producer Price Index (PPI) is a measure of the average changes in prices received in primary markets of the United States by producers of commodities in all stages of processing. These data were formerly called the Wholesale Price Index. The name was changed to more accurately reflect the coverage of the data. PPI's are designed to be interpreted in the same manner as the CPI.

Source: U.S. Department of Labor Bureau of Labor Statistics

Imported Beverages (proof gals)

	January 1984	February 1984	% Change	February 1983	Feb. '83 vs. Feb. '84 % Change
Beer*	15,919,008	14,046,391	(11.8)	11,763,817	19.4
Whiskey	4,839,767	6,839,767	41.3	4,278,098	59.9
Brandy	491,872	475,439	(3.3)	402,994	18
Gin	355,877	319,603	(10.2)	242,108	32
Rum	49,695	70,673	42.2	40,234	75.7
Cordials & liquers	879,766	1,505,996	71.2	621,083	142.5
Others	578,049	1,037,991	79.6	570,083	82.1
Total	23,114,034	24,295,860	5.1	17,918,417	35.6
Sparkling wines	1,356,748	804,616	(40.7)	506,457	58.9
Still wines, table	10,605,181	7,110,166	(33)	4,207,467	69
Still wines, fortified	113,278	335,910	196.5	110,488	204
Vermouth	265,356	211,196	(20.4)	187,789	12.5

*Includes ale, stout, porter

Source: National Association of Beverage Importers

Sweeteners (cents per pound)

	February 1984	March 1984	% Change	March 1983	March '83 vs. March '84 % Change
55% Corn Syrup High Fructose Decatur, IL, tank cars, cwt.	14.25	14.25	0	14.25	0
Sugar, liquid ind. no. 2 per cwt. solids, F.O.B. (N.E. refinery)	31.45	31.45	0	32.20	(2.3)

NA: Not Available

Source: The Journal of Commerce

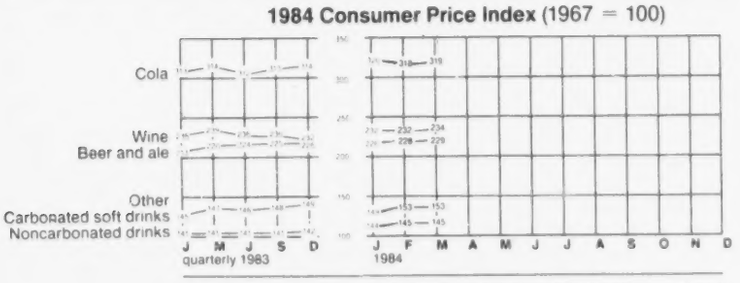
Alcoholic Beverage Removals (barrels of 31 gals)

	December 1983	January 1983	% Change	January 1982	Jan. '83 vs. Jan. '84 % Change
Beer	12,187,270	12,653,020	3.8	12,931,252	(2.2)
Wine*	34,687,237	27,143,834	(21.7)	26,610,248	2
Spirits*	24,848,922	27,256,001	9.7	25,675,279	6.2

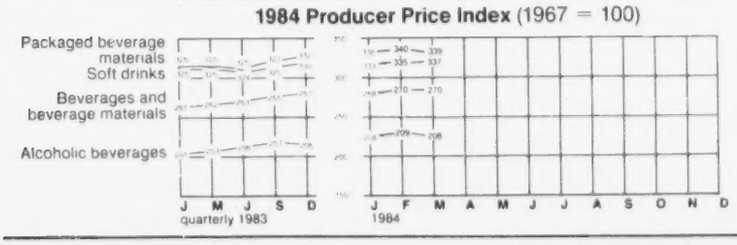
*wine gals

Source: U.S. Department of the Treasury Bureau of Alcohol, Tobacco and Firearms

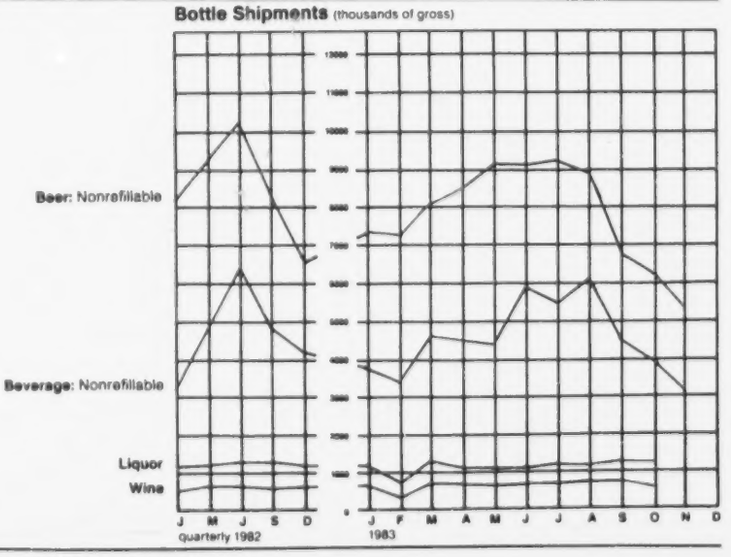
1984 Consumer Price Index (1967 = 100)



1984 Producer Price Index (1967 = 100)



Bottle Shipments (thousands of gross)



Compiled by Statistical Research Center (SRCH) for Beverage Industry